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Service Quality in Indian Banks – An Empirical Study

Dr. M. Geeta, Dr. C. Naga Sivanand

Associate Professor KLEF, KLHBS Hyderabad, Consultant and Entrepreneur, Hyderabad.

Abstract

The services sector's growth has been evident over the past decades and is contributing more than 60 per cent of gross domestic product (GDP) in the developed economies. The most marked change in the structure of developed economies in the twentieth century, particularly in the later half, has been the transformation from an emphasis on the manufacture of physical goods to the production of intangible services. India is no exception to this phenomenon. One of the most special features of the evolution of the Indian economy in the Nineties has been shift towards the service sector. Among the different services of service sector, banking is one of the major contributors of service sector economy. Banking could be the mirror reflection of an economy. The performance of any economy, to a large extent, may be dependent on the performance of banks. Economic liberalization and globalization, information technology (IT) revolution, changing customer expectations, and increasing competition are generally viewed as a challenge to the existing Indian banking scenario. During the past few years, the banking sector has witnessed revolutionary changes. The entry of private and foreign banks has posed a challenge to the monopoly enjoyed by the nationalized banks. With increasing competition, the importance of quality services in banking has gained paramount importance. Every study has some limitations and errors. The research design for the current study is kept at exploratory/descriptive level. So, conclusions may not be so concrete like experimental or causal research study. The present study is conducted on service quality as an important factor, and it potentially contributes to the banks about the process of services rendered and evaluated by the customers. The current study has examined the service quality of banking sector by making use of SERVQUAL Scale and Marketing Mix Scale. Data was collected and analyzed from the customers of two public banks and two private banks through a questionnaire. The findings revealed that there is a great need of improvement of services that are rendered by the Indian Banks to sustain the competition.

Key words: SERVQUAL, Service quality, Banking services, Private Banks and Public Banks.

Introduction

Economic liberalization and globalization, information technology (IT) revolution, changing customer expectations, and increasing competition are generally agreed that these are challenges to any business sector. These are equally applicable to the banking sector also. During the last few years, the banking sector has witnessed revolutionary changes worldwide. The Indian banking sector has also witnessed tremendous changes. There was a good number of private and foreign banks entered this sector. The entry of private and foreign banks has posed a challenge to the monopoly enjoyed by the nationalized banks. With increasing competition, the importance of quality services in banking has gained paramount importance. In the light of this background, the current study examined the services rendered by the private and the public sector banks in Indian context. The data was collected from customers of two banks from each sector and was analyzed to look at perceptions of the respondents on the quality of services rendered by the banks. The results are found to be interesting to the bankers, policy makers and also customers.

Literature Review

The services sector has grown phenomenally over the past decades and accounts for more than 60 per cent of gross domestic product (GDP) in the developed economies. The most marked change in the structure of developed economies in the twentieth century, particularly in the later half, has been the transformation from an emphasis on the manufacture of physical goods to the production of intangible services (Rust, Zahorik and Keiningham, 1999). In the United States, a leader in the transformation to a service economy, the percentage of workers employed in the service sector has risen from a mere 30% in 1900 to an estimated 80% by 1995 (Quinn, 1992). India is no exception to this phenomenon. One of the more special features of the evolution of the Indian economy in the Nineties has been shift towards the service sector. According to the estimates for 1999-2000, the service sector accounts for nearly 52 per cent of India's GDP and more than 60 percent of employment. As per the projected estimates, by the year 2005, services industry will contribute up to 60 per cent to the Indian GDP (Business Today, 2001).

Among the different services of service sector, banking is one of the major contributors to the service sector economy. Banking could be the mirror reflection of an economy. The performance of any economy, to a large extent, may be dependent on the performance of banks. The collapse of the banking sector in 1997, let by the currency crisis in some of the tiger economies is still fresh in public memory (Business Today, 2001). So, it is inevitable for the banks to render excellent service and safe guard the economy.

Early literature on service quality focused on improving the quality and its control through training programs, without going into the depth of the dimensions of quality (Hostage, 1975). Gronross (1984) tried to develop a universal model for service quality. He distinguished between 'Technical Quality' i.e., what is delivered and 'Functional Quality' i.e., how is delivered.

Berry, Parasuraman, and Zeithmal together have conducted many research works on service quality. In their early attempt (1985), they found 10 determinants of service quality. In their further study (Parasuraman, Zeithaml and Berry, 1988) SERVQUAL was developed with 22 items measuring expectations and perceptions of the consumers separately with 5 dimensions viz: Reliability, Assurance, Tangibles, Empathy and Responsiveness. In an integration effort of their earlier multiphase study of service quality, the authors, Zeithaml, Parasuraman and Berry (1990), developed a conceptual model of service quality and a methodology for measuring customer perceptions of service quality. They referred the model, as 'gaps model' because it features gaps that need to be closed to offer excellent service. Berry, Parasuraman, and Zeithaml (1988), in a case study of Alpha Bank, concluded that a long-term view is essential for service quality. There are no ways to change the attitudes, habits, knowledge, and skills of human beings quickly. It is more useful to think in terms of organizational evolution than revolution.

Haywood-Farmer (1988) worked on developing 'Conceptual Model for Service Quality', after studying diversified organizations such as: utilities, transport, teaching, stock broking, repair services wholesaling, retailing, fast foods, and hospitals in Canada. A detailed study was made by Shainesh (1996)

in Indian context on banks on service value, which covered satisfaction, service quality and behavioral intentions also.

In an article Shainesh and Mathur (2000), identified the attributes, which customers use to evaluate the quality of railway freight services, and developed a comprehensive instrument RAILQUAL, which can be used by the railways for collecting feedback from customers. Parasuraman (2000) in an article discussed the meaning and measurement of service quality, and offered managerial guidelines for delivering superior service by invoking key insights from a multi-year, multi-sector stream of research on customer service.

Aravindan and Punniyamoorthy (1999) made an attempt to develop to measure customer satisfaction and service quality in banking sector in India. Extended from the Brown-Gibson Model used for locational measures, the developed model was tested on the banking service.

A brief and focused above literature review indicates that the service quality measurement is still in evolving state and there are many diversified opinions and ways to measure it. Further, it may also be shown that in Indian context there is a need of more studies to be made. The current research is an effort in that direction. It is a case study of four banks in Tirupati region of Andhra Pradesh, India.

Objectives of the Study

- To measure the quality of service rendered by the commercial banks.
- To distinguish public sector and private sector banks with respect to service quality
- To compare and contrast the SERVQUAL scale and Marketing Mix scale with respect to their measurement of service quality
- To suggest relevant course of action for the banks to improve their service quality

Research Design and Methodology:

The current research has adopted the methodology employed by Taylor, 1992 and Shainesh, 1996 which comprises of the following four stages:

Stage 1: Operationalization of the variables: It is to derive subscales to the variables of expectations and performance. This was achieved through exploratory and pilot studies. These studies include focus groups and interviews. Focus group studies were conducted in three different universities, business management students as participants. Interviews were conducted with bank officials, academicians, consultants, and prospective respondents.

Stage 2: Data collection: Data was collected through personally administered questionnaires to a sample of about 500 customers of the banks in Tirupati region. However, the study could collect 372 valid questionnaires from four Banks. The break-up is as follows: Public sector: (1) Public Bank 1 (98); (2) Public Bank 2 (94)

Private sector: (1) Private Bank 1 (96); (2) Private Bank 2 (84)

Respondents were chosen by judgmental non-probability sampling method. Descriptive research design is adopted.

Stage 3: Investigation of the Data Base: Data was tested for it's reliability and validity for the measures of each variable by Factor analysis and Reliability analysis.

Stage 4: Data Analysis and Presentation: The data was analyzed as follows:

- A comparative analysis of the demographic characteristics to determine whether the samples collected from the four banks had any differences. It was achieved by comparing the percentages.
- The scale development process included the measurement of the Reliabilities and Confirmatory Factor Analysis. The Confirmatory Factor Analysis was done essentially to assess the factor structure of the constructs used in the study. For example, the Perception construct was assumed to have a five dimensional structure (SERVQUAL) with overlapping factors. In case the same five dimensional structures do not emerge, then the reliability analysis of the scale is done to assess the reliability of the unidimensional scale. The unidimensional scale is essentially the summed average value of all the items comprising that scale. Both factor analysis and reliability analysis (Cronbach's Alpha) confirmed the scale structure constructs and unidimensional nature of the scale, enabling further analysis.
- Service Quality is calculated by method, which was used by Parasuraman et al (1990). It was given as Perception minus Expectations. In the current study, service quality was calculated for SERVQUAL and also Marketing Mix items.

Research Instrument, the Questionnaire:

The questionnaire is developed in the lines of Parasuraman et al research instrument, SERVQUAL. However, the SERVQUAL has got criticism worldwide and some of the researchers tried to modify or expand it. Some researchers have got their own way of analyzing service quality ignoring the SERVQUAL instrument. In the current research also, the researchers were interested to develop a more comprehensive and complete instrument for measuring service quality over and above SERVQUAL instrument. As specific to this research, the researchers used the Marketing Mix, i.e. seven P's approach to develop the questions to measure service quality. In fact, the researchers were opined that SERVQUAL instrument is covering only two P's of marketing mix. These two identified P's were Physical evidence and People. So, the researchers had taken the current version of 21 questions of the SERVQUAL to cover the two P's i.e., Physical evidence and People. For the other remaining five P's researchers had developed questions for each P. Questions for these five P's were developed by extensive literature review and elaborate exploratory studies in the form of focus group studies and interviews with concerned groups and people. The five P's for which questions were developed by the researcher are Service product, Price, Promotion, Place and Process. So, there are questions on all the marketing mix P's such as (1) service product, (2) price, (3) promotion, (4) place, (5) process, (6) physical evidence, and (7) people. There are atleast three questions on each element of marketing mix. There was another important observation, which motivated the researchers to develop this type of comprehensive Marketing Mix Scale. That was different authors in different context studied the different P's of services marketing mix separately and there was no such comprehensive study that

covered all P's of Marketing mix. This study was to combine them and see the total effect. The questionnaire that is constructed this way was subjected to pilot test. The pilot test was carried out by surveying the questionnaire among 25 prospective respondents. After suggested minor adjustments, the questionnaire found to be robust for the study.

However, it was intended to study the effect of SERVQUAL also separately, to find out the differences in the present instrument and the SERVQUAL in analyzing and giving results with respect to service quality. The present study adopted the 'two columnar format' to elucidate the data for both 'Expectations' and 'Perceptions' simultaneously.

Research Findings:
Demographic Characteristics of the Sample

The data, which was collected from four banks, is inspected to determine whether the total sample can be said to belong to same population. Comparing the demographic characteristics of the sample like gender, age, occupation, monthly income, educational qualifications, and number of years of banking across the banks did this. The summary of the demographic characteristics is presented in the Table 1.

Service Quality Measurement
Results of SERVQUAL scale

Tangibles: Tangibles, that is service scape is very important in services. The analysis for Tangibles is presented in tabular form in the Table 2 and in graphical form in the Figure 1. Public Bank 1 is very near (-0.439) to customer expectations with the least negative score among all the banks. (Insert Table 2 & Figure 1)

Reliability: The analysis with respect to Reliability is presented in Table 3 and the Figure 2. Reliability-wise private sector banks (-0.777) are well ahead of public sector banks (-1.568). However, both the sectors are unable to meet the expectations of the customers with respect to reliability. (Insert Table 3 & Figure 2)

Responsiveness: Responsiveness of the banks is analyzed and presented in the form of table in Table 4 and in the graph in Figure 3. Both private banks are exhibiting more responsiveness. Private Bank 2 performs better than the expectations of the customers with a positive score of 0.131. Both public sector banks are lagging behind with a more negative gap score of –2.079. (Insert Table 4 & Figure 3)

Assurance: Assurance is measured in terms of employees' knowledge of the services, creating confidence in services, safety creation aspect and courtesy. Analysis result is presented in the Table 5 and in the Figure 4. In this aspect also both private banks are performing well when compared to public sector banks. Once again Private Bank 2 could score a positive value of 0.155, exhibiting performance of the service over and above customers' expectations. (Insert Table 5 & Figure 4)

Empathy: Empathy is measured in terms of employees' behavior in caring, attending customers interests along with convenient business hours. The analysis for the aspect, empathy is provided in the Table 6 and in Figure 5. Once again, it is the private sector banks (-0.309) that are going ahead of the public sector banks (-0.707). However, overall banking sector must improve to perform well and gain the customer confidence with this aspect. (Insert Table 6 & Figure 5)

Total SERVQUAL Score: The perceptions and expectations difference scores for the five dimensions of the SERVQUAL Scale i.e., for Tangibles, Reliability, Responsiveness, Assurance and Empathy in total are presented in the Table 7 and Figure 6. It can be noted that all the banks are required to improve their overall performance to meet their customers' expectations and there by to provide improved quality service. There is 100 per cent difference between private sector and public sector banks. Private sector banks are performing well as perceived by the respondents. (Insert Table 7 & Figure 6)

In Table 8, data is presented for all individual dimensions of SERVQUAL to give birds eye view of the total analysis across all the banks under study. (Insert Table 8).

Results of Marketing Mix scale

Services Product: Analysis with respect to first 'P' of the Services Marketing Mix is presented in the Table 9 and in Figure 7. It shows that public sector banks are rated high with minimum minus scores (-0.271) in fulfilling expectations of the customers with respect to service products they provide. Whereas, among all the banks, Private Bank 2 is far behind (-1.258) in meeting the expectations of the customers, with respect to service product. (Insert Table 9 & Figure 7)

Price: Table 10 and the Figure 8 gives the information about the price and the mean scores for expectations and perceptions by the respondents from the banks. Price factor was constituted by the cost, time and sacrifice related questions in the questionnaire. Mean perception scores are behind the mean expectation scores for all the banks. However, both public sector banks are ahead of the private sector banks in reaching customers' expectations. (Insert Table 10 & Figure 8)

Place: The factor 'place' of the Services Marketing Mix covered the aspects like location, accessibility, and number of branches and safety of location. The analysis for this factor is presented in the Table 11 and the Figure 9. Among all the banks, Public Bank 1 proved to be more comfortable (-0.815) for the respondents with respect to place. It may be because of more number of branches in this region. Both public and private sectors are almost in similar positions. (Insert Table 11 & Figure 9)

Promotion: Promotion is the important factor of marketing mix. It is indicated that the perceptions overtook the expectations of the customers with respect to Private Bank 1 (+0.028) in communicating with the customers. It is followed by Public Bank 1 (-0.419), and Private Bank 2 (-0.559). See the Table 12 and the Figure 10. (Insert Table 12 & Figure 10)

Process: Process of the marketing mix included the aspects like time taken for the service process, convenience with the process and other formalities. Public Bank 1 (-1.112) and Private Bank 2 (-

1.382) are in similar positions with less negative scores when compared to Public Bank 2 (-2.213), and Private Bank 1 (-2.215). The analysis is presented in the Table 13 and Figure 11. (Insert Table 13 & Figure 11)

Physical Evidence: The analysis for physical evidence is presented in tabular form in the Table 14 and in Figure 12. Public Bank 1 is very near (-0.439) to customer expectations with the least negative score among all the banks. Where as, all other banks are to improve their physical facilities and appearance to meet their customers' expectations. (Insert Table 14 & Figure 12)

People: The people of marketing mix are presented in the Table 15 and Figure 13. Private sector banks (-0.411) are ahead of the public sector banks (-1.270) in satisfying the customers. Private Bank 2 (-0.106) is well ahead of all other banks with the least negative score with respect to this factor. (Insert Table 15 & Figure 13)

Total Marketing Mix: The Marketing Mix analysis is made and presented in the Table 16 and Figure 14. Public Bank 1 is with least negative values (-0.841) representing efforts to meet the expectations of the customers. Sector-wise, both Public (-1.234) and Private (-1.267) sectors are in similar positions with respect to meeting of customers' expectations. (Insert Table 16 & Figure 14)

In Table 17, data is presented in full for all individual factors of Marketing Mix to give a bird's eye view of the total analysis. (Insert Table 17)

It is also evident from the foregone analysis that both SERVQUAL scale and Marketing Mix scale have yielded similar results.

Conclusion

It can be inferred that there are surveys and reports, which revealed and identified quality as the number one issue of concern of the present business world. The current research, service quality as focal point, will potentially contribute to management theory by providing a better explanation of the process of consumers' evaluation of service. It will help managerial practice by identifying and explaining the facets of individual decision making, which can be used to develop marketing strategies. Additional contribution is a cross-cultural validation of the measures of service quality, i.e., SERVQUAL and scale development for measures of Marketing mix elements. Service providers can use these measures as tools to collect feedback from customers to help them monitor and control the service they provide.

Every research study suffers from limitations and errors. The research design for the current study is kept at exploratory/descriptive level. So, conclusions may not be so concrete like experimental or causal research study. Field study could also be a source of error. Despite careful personal explanation of the questions of the questionnaire by the researcher as and when required, there may be personal bios on the part of respondents to represent their views perfectly. Another important source of possible error is the semantic differential scale that is used in the research. Sometimes it created problems for the respondents in selecting right option to earmark their observation. Lastly, the research has restricted the scope of the study to the retail banking services, that to private and public sectors. It

did not consider foreign banks. Although banking services share lot of common characteristics with most of the service categories, the acceptability of the generalizations would get restricted due to the limitation of the scope. So, the future studies can be made in these areas to get a comprehensive performance view of Indian banking sector.

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Table 1: Demographic Characteristics of the Sample

Variable	Classification of variable	Frequency	Percentage
GENDER	Male	315	84.7
	Female	57	15.3
	Total	372	100
AGE	21-35 yrs.	161	43.3
	36-50 yrs.	144	38.7
	>50 yrs.	67	18.0
	Total	372	100
EDUCATIONAL LEVEL	Up to 10+2	119	32.0
	Graduation	153	41.1
	Above Graduation	100	26.9
	Total	372	100
OCCUPATION	Student	44	11.8

	House wife	28	7.5
	Employee	47	12.6
	Business	204	54.8
	Retired	49	13.3
	Total	372	100
MONTHLY INCOME	≤Rs.5000	33	8.9
	Rs.5001-10000	157	42.2
	Rs.10001-15000	110	29.6
	>Rs.15000	72	19.3
	Total	372	100
PERIOD OF BANKING	<1 year	21	5.6
	1-2 years	108	29.0
	>2 years	243	65.4
	Total	372	100

Table: 2: Service Gap with Respect to Tangibles

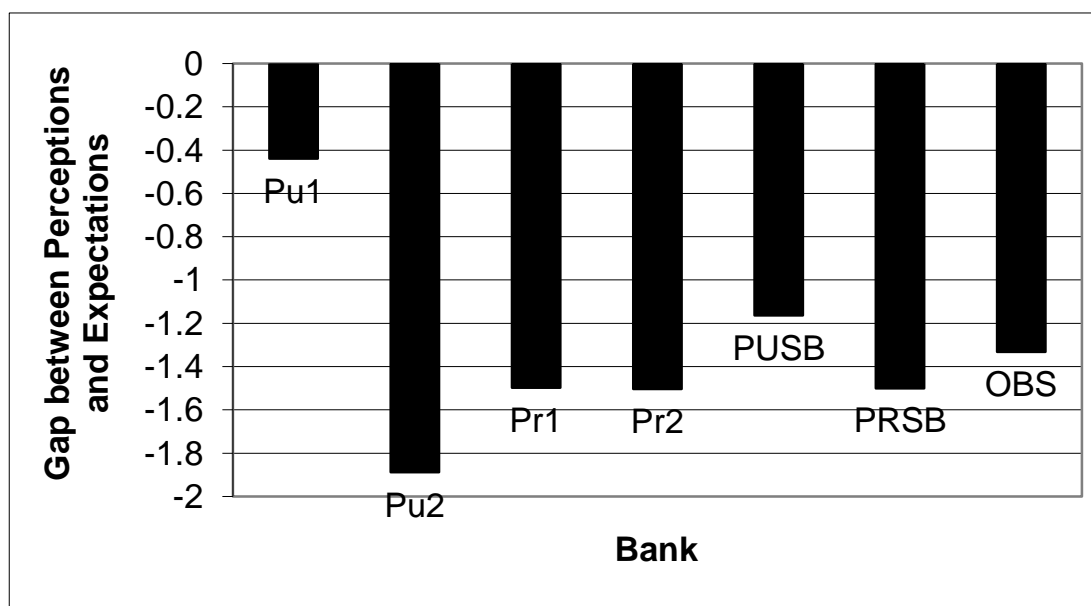| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.133	4.694	-0.439
Pu2	5.074	3.186	-1.888
Pr1	4.763	3.266	-1.497
Pr2	4.631	3.128	-1.503
PUSB	5.104	3.940	-1.164
PRSB	4.697	3.197	-1.500
OBS	4.901	3.569	-1.332

Figure:1: Service Gap with Respect to Tangibles

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 3: Service Gap with Respect to Reliability

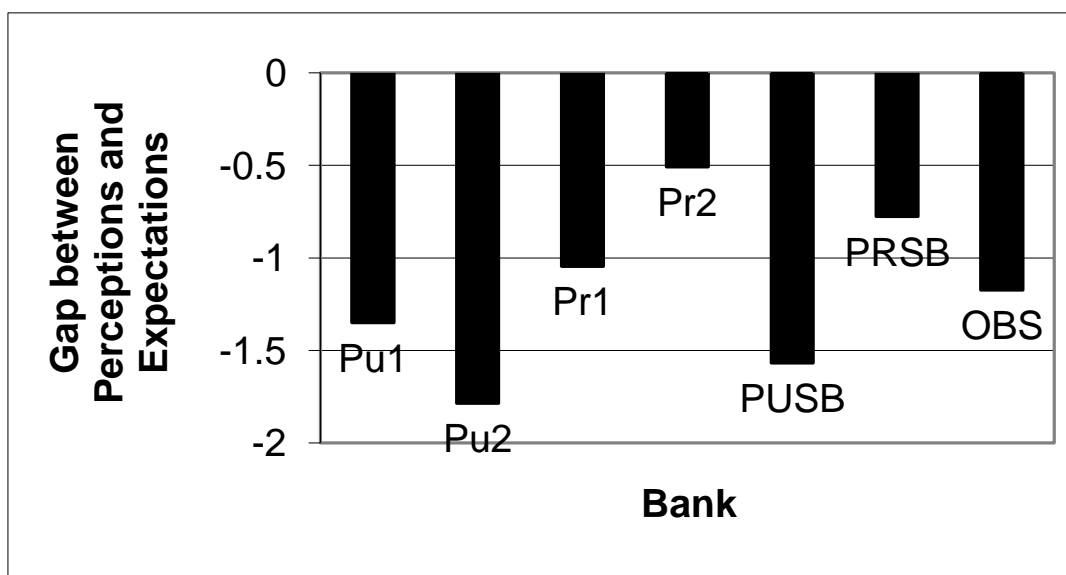| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.199	3.849	-1.350
Pu2	5.322	3.537	-1.785
Pr1	5.180	4.135	-1.045
Pr2	4.988	4.479	-0.509
PUSB	5.261	3.693	-1.568
PRSB	5.084	4.307	-0.777
OBS	5.173	4.000	-1.173

Figure: 2: Service Gap with respect to Reliability

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 4: Service Gap with Respect to Responsiveness

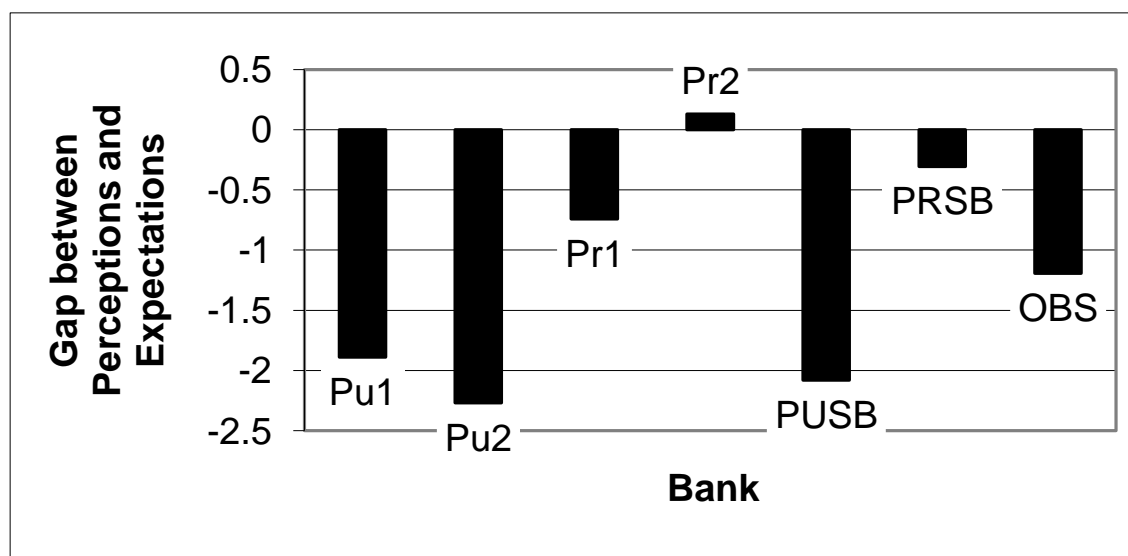| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.385	3.495	-1.890
Pu2	6.130	3.862	-2.268
Pr1	5.018	4.276	-0.742
Pr2	4.815	4.946	+0.131
PUSB	5.758	3.679	-2.079
PRSB	4.917	4.611	-0.306
OBS	5.338	4.145	-1.193

Figure: 3: Service Gap with Respect to Responsiveness

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 5: Service Gap with Respect to Assurance

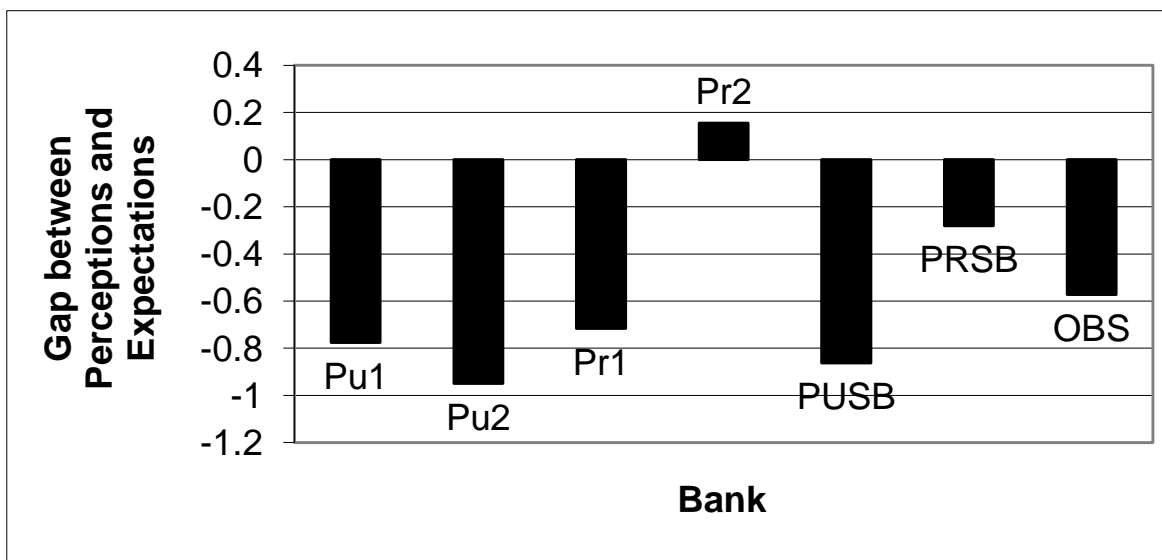| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.426	4.651	-0.775
Pu2	5.178	4.229	-0.949
Pr1	4.896	4.180	-0.716
Pr2	4.833	4.988	+0.155
PUSB	5.302	4.440	-0.862
PRSB	4.865	4.584	-0.281
OBS	5.084	4.512	-0.572

Figure: 4: Service Gap with Respect to Assurance

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 6: Service Gap with Respect to Empathy

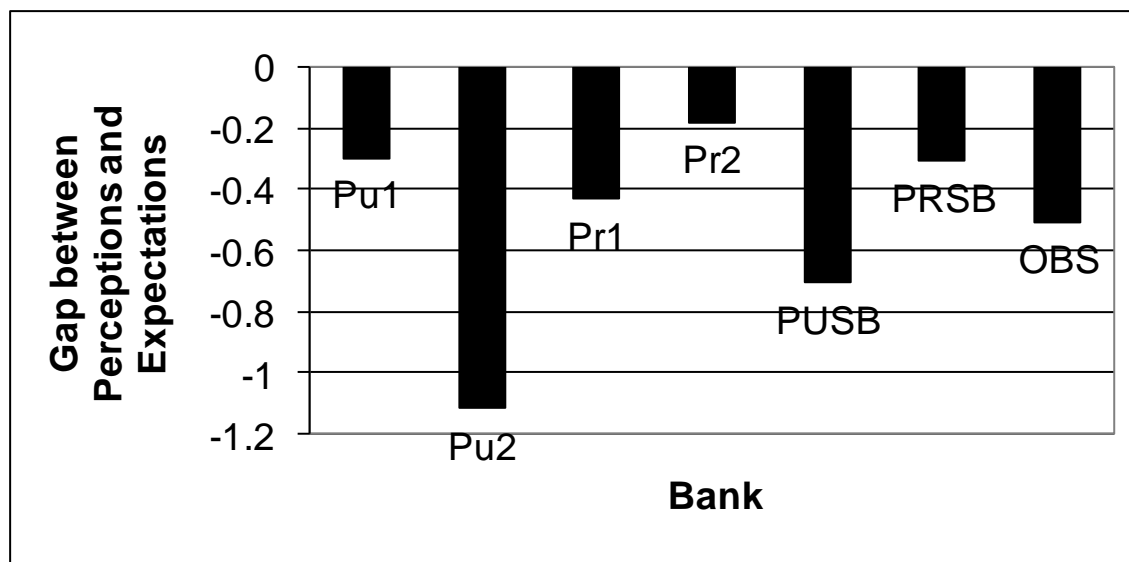| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	4.861	4.563	-0.298
Pu2	4.885	3.768	-1.117
Pr1	4.829	4.396	-0.433
Pr2	4.924	4.740	-0.184
PUSB	4.873	4.166	-0.707
PRSB	4.877	4.568	-0.309
OBS	4.875	4.367	-0.508

Figure: 5: Service Gap with Respect to Empathy

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 7: Service Gap with Respect to Total SERVQUAL Scale

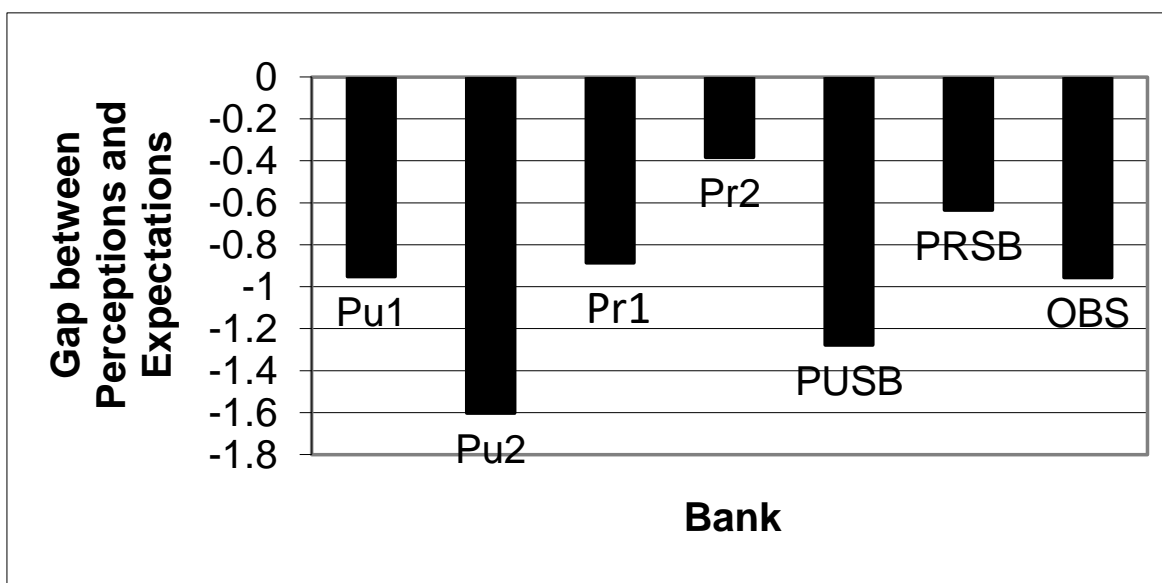| Bank	Mean Score Expectations	Mean Scor Perceptions	Gap between Perceptions and Expectations
Pu1	5.201	4.250	-0.951
Pu2	5.318	3.716	-1.602
Pr1	4.937	4.051	-0.886
Pr2	4.838	4.456	-0.382
PUSB	5.260	3.983	-1.277
PRSB	4.888	4.254	-0.634
OBS	5.074	4.119	-0.955

Figure: 6: Service Gap with Respect to Total SERVQUAL Scale

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 8: Service Gaps with Respect to Individual Factors of the SERVQUAL Scale at a Glance

Bank	Tangibles	Reliability	Responsive-ness	Assurance	Empathy	TMG
Pu1	-1.350	-1.350	-1.890	-0.775	-0.298	-0.951
Pu2	-1.785	-1.785	-2.268	-0.949	-1.117	-1.602
Pr1	-1.045	-1.045	-0.742	-0.716	-0.433	-0.886
Pr2	-0.509	-0.509	+0.131	+0.155	-0.184	-0.382
PUSB	-1.568	-1.568	-2.079	-0.862	-0.707	-1.277
PRSB	-0.777	-0.777	-0.306	-0.281	-0.309	-0.634
OBS	-1.173	-1.173	-1.193	-0.572	-0.508	-0.955

Pu1: Public Bank 1

Pu2: Public Bank 2

Pr1: Private Bank 1

Pr2: Private Bank 2

PUSB: Public Sector Banks

PRSB: Private Sector Banks

OBS: Overall Banking Sector

TMG : Total Mean Gap

Table: 9: Service Gap with respect to Service Product

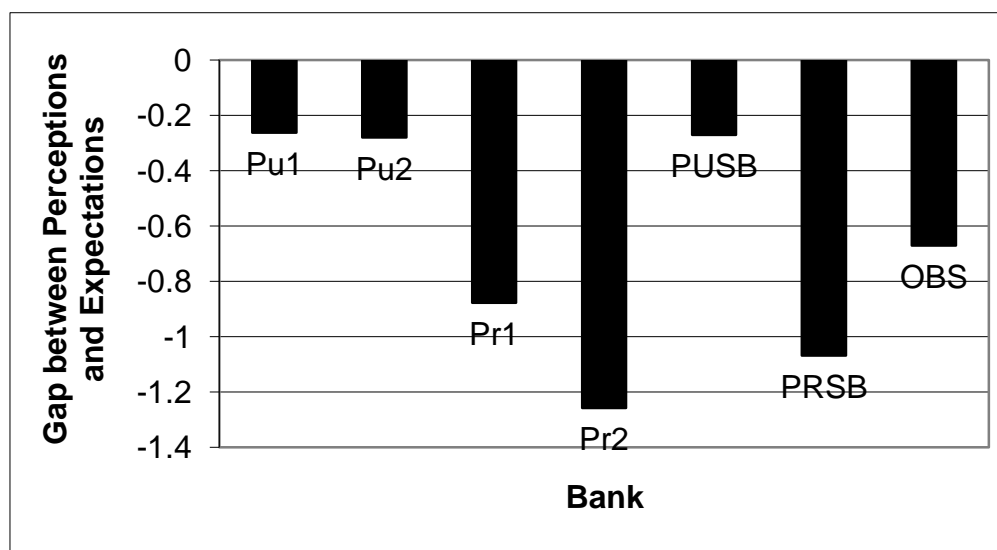| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.041	4.799	-0.262
Pu2	4.929	4.649	-0.280
Pr1	4.944	4.066	-0.878
Pr2	4.544	3.286	-1.258
PUSB	4.985	4.714	-0.271
PRSB	4.744	3.676	-1.068
OBS	4.865	4.195	-0.670

Figure: 7: Service Gap with Respect to Service Product

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 10: Service Gap with Respect to Price

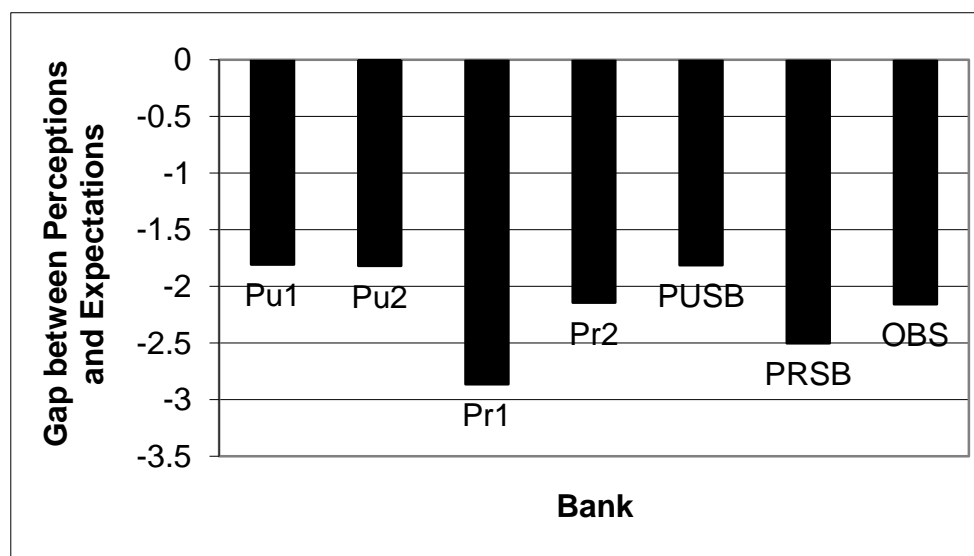| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.395	3.588	-1.807
Pu2	5.567	3.748	-1.819
Pr1	6.252	3.389	-2.863
Pr2	5.635	3.492	-2.143
PUSB	5.481	3.668	-1.813
PRSB	5.944	3.441	-2.503
OBS	5.713	3.554	-2.159

Figure: 8: Service Gap with respect to Price

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 11: Service Gap with Respect to Place

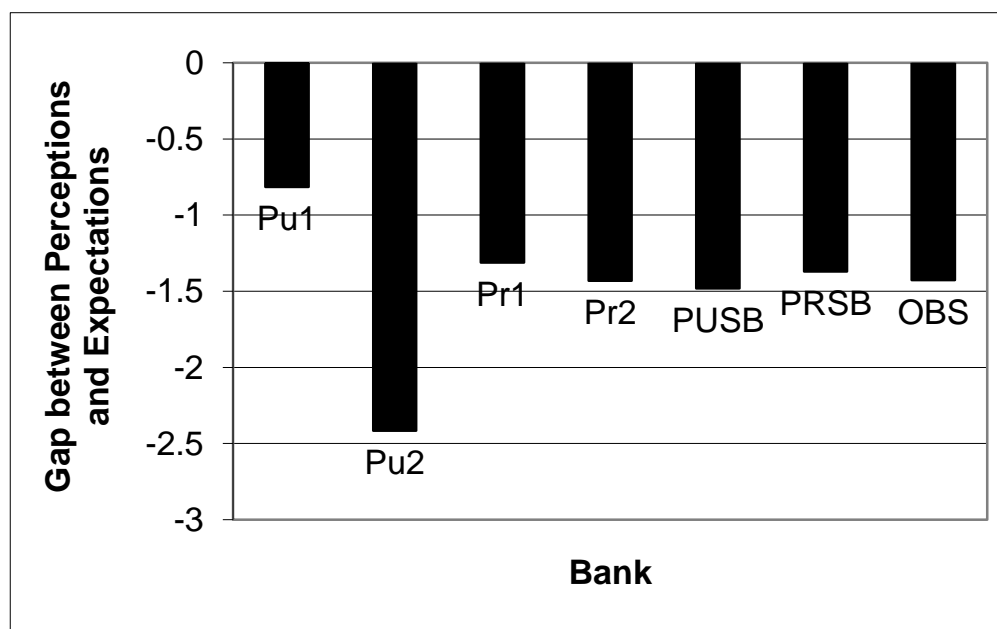| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.304	4.489	-0.815
Pu2	5.117	2.971	-2.146
Pr1	4.648	3.336	-1.312
Pr2	4.714	3.283	-1.431
PUSB	5.211	3.730	-1.481
PRSB	4.681	2.810	-1.371
OBS	4.964	3.270	-1.426

Figure: 9: Service Gap with Respect to Place

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 12: Service Gap with Respect to Promotion

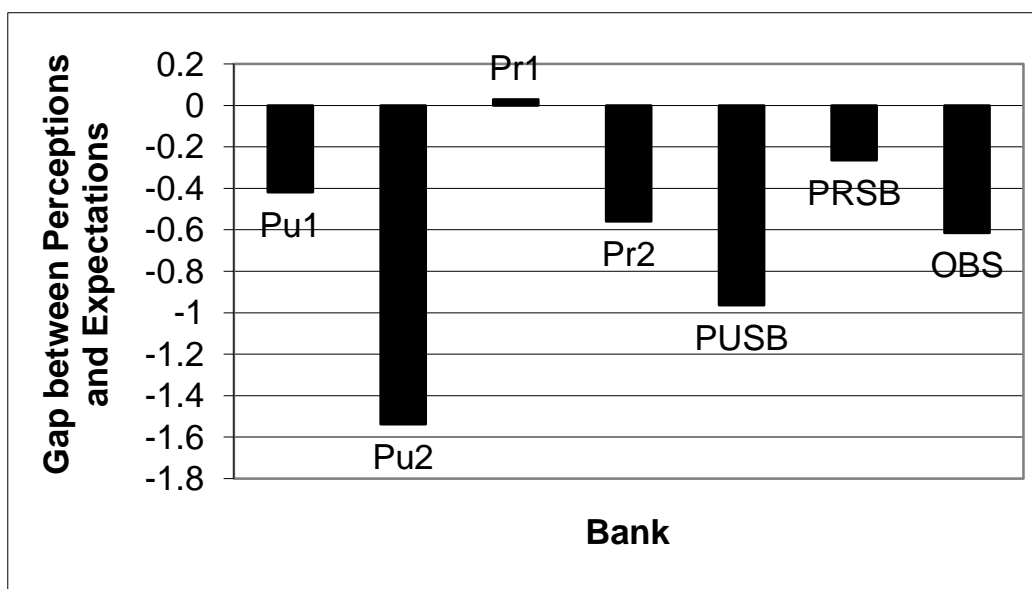| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	4.344	3.925	-0.419
Pu2	4.293	2.755	-1.538
Pr1	3.802	3.830	+0.028
Pr2	3.956	3.397	-0.559
PUSB	4.304	3.340	-0.964
PRSB	3.879	3.614	-0.265
OBS	4.092	3.477	-0.615

Figure: 10: Service Gap with respect to Promotion

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 13: Service Gap with Respect to Process

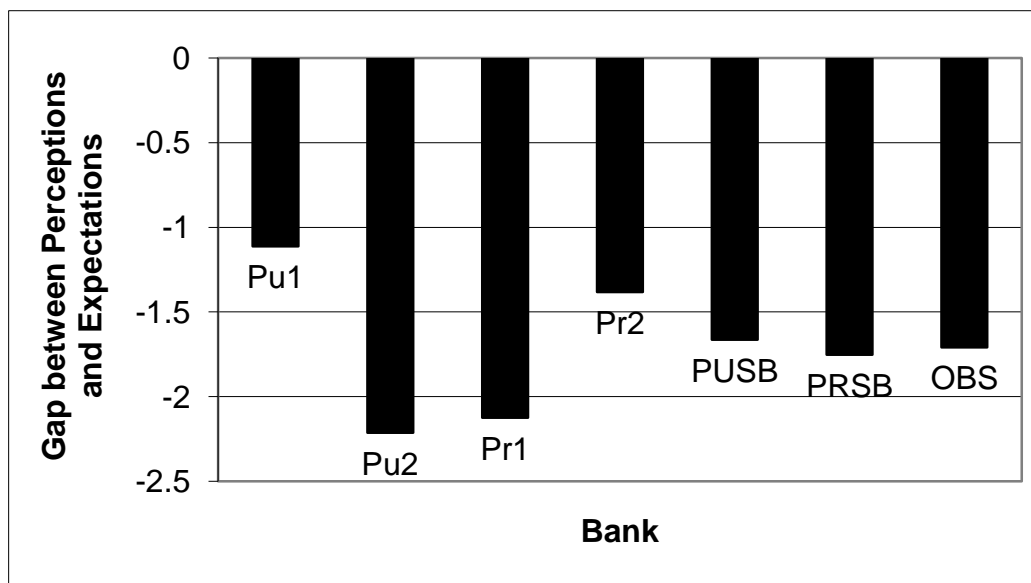| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.139	4.027	-1.112
Pu2	5.440	3.227	-2.213
Pr1	5.375	3.250	-2.125
Pr2	5.405	4.023	-1.382
PUSB	5.290	3.627	-1.663
PRSB	5.390	3.637	-1.753
OBS	5.340	3.632	-1.708

Figure: 11: Service Gap with Tespect to Process

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 14: Service Gap with Respect to Physical Evidence

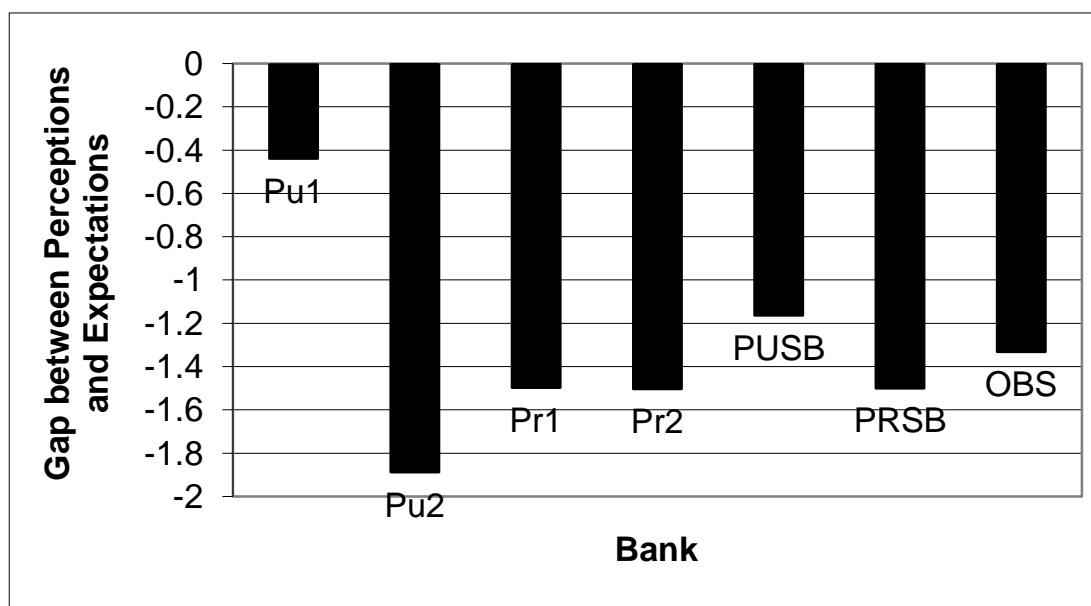| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.133	4.694	-0.439
Pu2	5.074	3.186	-1.888
Pr1	4.763	3.266	-1.497
Pr2	4.631	3.128	-1.503
PUSB	5.104	3.940	-1.164
PRSB	4.697	3.197	-1.500
OBS	4.901	3.569	-1.332

Figure: 12: Service Gap with Respect to Physical Evidence

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 15: Service Gap with Respect to Process

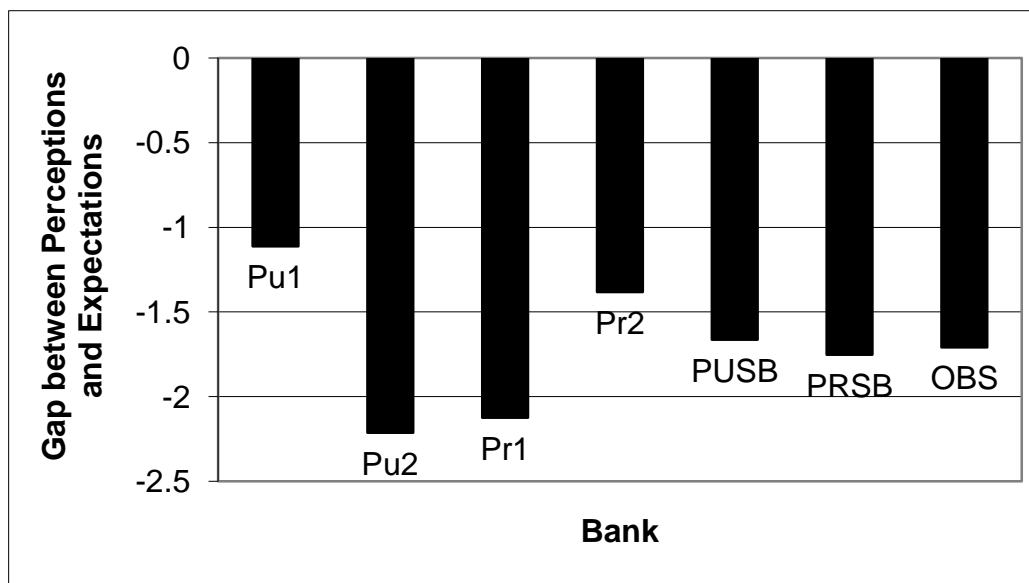| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.139	4.027	-1.112
Pu2	5.440	3.227	-2.213
Pr1	5.375	3.250	-2.125
Pr2	5.405	4.023	-1.382
PUSB	5.290	3.627	-1.663
PRSB	5.390	3.637	-1.753
OBS	5.340	3.632	-1.708

Figure: 13: Service Gap with Respect to Process

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table: 16: Service Gap with Respect to Total Marketing Mix

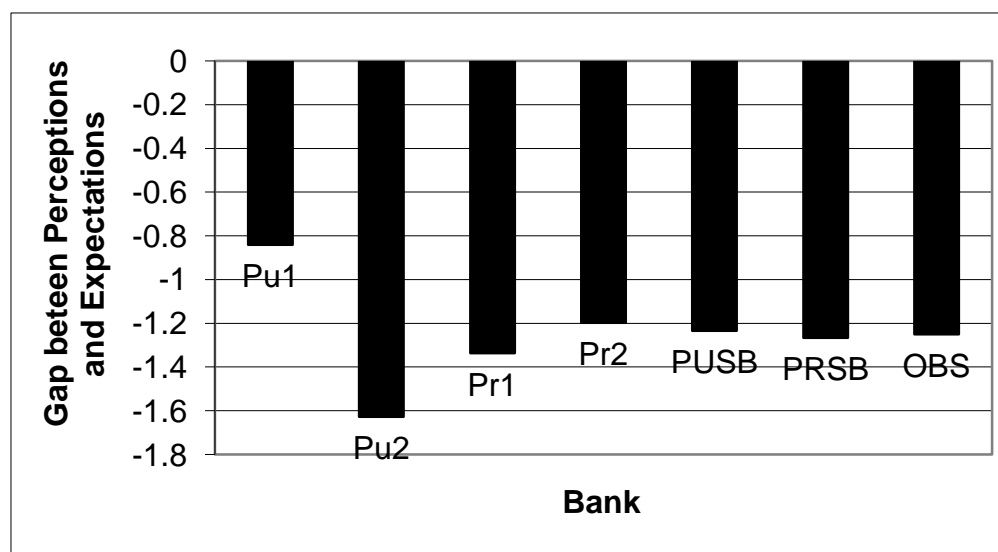| Bank	Mean Score Expectations	Mean Score Perceptions	Gap between Perceptions and Expectations
Pu1	5.079	4.238	-0.841
Pu2	5.110	3.483	-1.627
Pr1	4.965	3.628	-1.337
Pr2	4.825	3.628	-1.197
PUSB	5.095	3.861	-1.234
PRSB	4.895	3.628	-1.267
OBS	4.995	3.745	-1.250

Figure: 14: Service Gap with Respect to Total Marketing Mix

Pu1: Public Bank 1; Pu2: Public Bank 2; Pr1: Private Bank 1; Pr2: Private Bank 2; PUSB: Public Sector Banks; PRSB: Private Sector Banks; OBS: Overall Banking Sector

Table 17: Service Gaps with Respect to Individual Factors of the Marketing Mix at a Glance

Bank	P1	P2	P3	P4	P5	P6	P7	TMG
Pu1	-0.262	-1.807	-0.815	-0.419	-1.112	-0.439	-1.033	-0.841
Pu2	-0.280	-1.819	-2.146	-1.538	-2.213	-1.888	-1.506	-1.627
Pr1	-0.878	-2.863	-1.312	+. 028	-2.125	-1.497	-0.716	-1.337
Pr2	-1.258	-2.143	-1.431	-0.559	-1.382	-1.503	-0.106	-1.197
PUSB	-0.271	-1.813	-1.481	-0.964	-1.663	-1.164	-1.270	-1.234
PRSB	-1.068	-2.503	-1.371	-0.265	-1.753	-1.500	-0.411	-1.267
OBS	-0.670	-2.159	-1.426	-0.615	-1.708	-1.332	-0.840	-1.250

Pu1: Public Bank 1 P1: Service Product

Pu2: Public Bank 2 P2: Price

Pr1: Private Bank 1 P3: Place

Pr2: Private Bank 2 P4: Promotion

PUSB: Public Sector Banks P5: Process

PRSB: Private Sector Banks P6: Physical Evidence

OBS: Overall Banking Sector P7: People

TMG: Total Mean Gap